

# THE PRESIDENT'S INTELLIGENCE CHECKLIST

5 JULY 1962

~~TOP SECRET~~

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1. Peru

The outlook is as unclear as ever. Haya de la Torre

would

prefer to bow out to preserve civil peace, but it is doubtful that his followers will accept this course. We do not know yet what happened at yesterday's extraordinary convention of the APRA party, but all indications were that the decision would be to make a contest of it. The support of something like 80% of Peruvian labor is the Aprista trump card.

2. Laos

a. At Geneva, signs are gathering that the Bloc intends to dig in on a claim that integration of the opposing military forces is an internal affair and no business of the conference.

b. Back in Laos, Phoumi and Souphannouvong are both holding back on military integration, each supposing that he is better off with what he now has. Only the neutralists, whose forces are still handcuffed by the Pathet Lao, want a quick change.

c. South Vietnam, angered by Vientiane's recognition of North Vietnam, is threatening to boycott the Geneva conference.

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### 3. Brazil

Prime Minister-designate Andrade turned in his resignation yesterday when President Goulart refused to accept his cabinet slate. Goulart, who would like to fill the office with someone as submissive as the outgoing man, has the constitutional right to make one more nomination before the decision passes to the Brazilian Senate. Although the military have declared a precautionary alert and the left is rallying its forces in order to influence the outcome, the odds for the moment favor a compromise solution. There is a strong suspicion, however, that Goulart would welcome a deadlock which he could use as a lever for constitutional change to strengthen his own powers.

### 4. Algeria

Some 35,000 members of the Algerian Liberation Army began moving into Algeria from Tunisia and Morocco yesterday after the French opened the borders. Ben Bella's claim against the Ben Khedda wing of the Provisional Algerian Government in Algiers is strengthened by that much, and the threat of civil war continues to hang over the country. We note, however, that Ben Bella has stopped short of placing himself in open opposition and that Nasir is working hard to patch up some kind of truce. The chances are fairly good that the factional issue will be thrown into the quasi-parliamentary National Council of the Algerian Revolution.

5. Soviet

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6. West New Guinea

Indonesian preparations for expanded military operations in West New Guinea

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Although Subandrio has said repeatedly that his government plans no large-scale action while discussions with the Dutch are in progress, he has also said that Djakarta will declare war if the talks fail. The build-up is also being observed by the Dutch and it will serve as a reminder to them that this threat exists.

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**7. Taiwan Strait**

There has been no significant change in the military situation.

**8. India**

Krishna Menon

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is not "pro" or "anti" any country but is out for the best bargain. We would assume that Menon will put this disingenuous line to use in his lobbying for the MIG deal which goes on without letup. Nehru, however, seems to be in no hurry to make the hard decision on the MIG's.

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NOTES

- A. Members of Chancellor Gorbach's party in Moscow are rejoicing to the Western press that the Soviets are not going to block Austria's association with the EEC. Speaking at a reception for Gorbach yesterday, Khrushchev again condemned EEC as an arm of NATO but did not say he would try to veto Austrian plans.
- B. The UAR says it has responded to US urging and has warned the Cubans against turning the upcoming Cairo economic conference into a platform for anti-American invective.

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THE DIRECTOR OF CENTRAL INTELLIGENCE